2 1 MAY 1987

MEMORANDUM FOR: Acting Director of Central Intelligence

VIA: Deputy Director for Administration

FROM: Hugh E. Price

Director of Personnel

SUBJECT: Alcohol and Drug Abuse Authority

- 1. I have been informed that the Agency is in danger of losing the opportunity it now has of obtaining needed legislative clarification of its authority to deal with employees involved in alcohol and drug abuse. This legislative clarification is necessary because an employee involved in alcohol and drug abuse may now claim that he has a handicap and is protected from any administrative action by current EEO law.
- 2. A legislative fix to this problem was included in last year's Intelligence Authorization Bill and was almost passed by the Senate, but was deleted from the bill at the last minute through the personal intervention of Senator Durenberger, and staffer Dan Finn, for their own reasons. We had been informed by the HPSCI Staff that while they were not particularly enthusiastic about the legislation, they would not oppose it if it passed the Senate. In light of the change in personnel at the SSCI, the heightened national concern about alcohol and drug abuse, the interest of the SSCI Staff in personnel and security matters following the "Year of the Spy," and the explicit support given by the President to this proposal in his Report to the Congress on the Nation's Counterintelligence and Security Countermeasures Plans, Programs, and Capabilities, this appears to be the best opportunity we will have to get the kind of legislative relief we need.
- 3. As you know, the attached legislative proposal (which covers CIA, NSA, and DIA) was included in the FY 1988 Intelligence Authorization Bill, but to date the bill has not been formally cleared by OMB. While we were waiting for OMB to formally clear our bill, HPSCI approved its bill without our proposal. Although we thought OMB would act before the SSCI marked-up its bill, which would have given us an opportunity to brief the SSCI Staff, the SSCI marked-up the bill before we had the opportunity to do so. Given where we are at this point in time, I believe that the only way to save the situation is for you to raise this matter with Senators Boren and Cohen and seek their assistance.
- 4. I understand that the Director of the Intelligence Community Staff recently brought this matter to the your attention (along with another legislative matter of interest to the IC Staff) because alcohol and drug abuse

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legislation for CIA, NSA, and DIA was specifically endorsed by the President's report and it would protect the three major agencies in the Intelligence Community. I also understand that you have taken the matter under advisement and are consulting with National Security Advisor Carlucci with respect to further action.

5. I want to emphasize that this legislative proposal was initiated by CIA to fix a real problem we have in the area of dealing with employees who develop problems with alcohol and drugs. We believe it is essential that CIA have the flexibility to treat each employee in a manner appropriate to his case without having to worry about intervention in Agency activities by external authority and endless second-guessing in external forums of the way the Agency has handled any case. In light of the significance of this legislation to CIA we, request you consider taking action to obtain the assistance of Senators Boren and Cohen to support our legislative proposal.

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Hugh E. Price

Attachment: Legislative Proposal

Legislative Proposal

- SEC. 403. (a) The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end of Section 16 the following new section:
- "SEC. 17. In its discretion, the Agency may, on the grounds of prior or current alcohol or drug abuse, deny to or remove from any individual access to classified information; refuse to hire any applicant for Agency employment; and terminate, suspend, or place limitations or conditions on the continued employment of any Agency employee, notwithstanding any other provisions of law."
- (b) The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by redesignating section 2 as section 2(a), and by adding at the end thereof the following new subsection:
- "(b) The Secretary of Defense (or his designee for the purpose) may, in his discretion, on the grounds of prior or current alcohol or drug abuse, deny to or remove from any individual access to classified information; refuse to hire any applicant for Agency employment; and terminate, suspend, or place limitations or conditions on the continued employment of any Agency employee, notwithstanding any other provisions of law.".
- (c) Section 1604 of chapter 83 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:
- "(f) The Secretary of Defense (or his designee for the purpose) may, in his discretion, on the grounds of prior or current alcohol or drug abuse, deny to or remove from any civilian officer or employee of the Defense Intelligence Agency access to classified information; refuse to hire any applicant for employment with the Defense Intelligence Agency; and terminate, suspend, or place limitations or conditions on the continued employment of any Defense Intelligence employee notwithstanding any other provisions of law.".

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